



MICHIGAN
HOUSE OF REPRESENTATIVES
P.O. Box 30014
LANSING, MICHIGAN 48909-7514

**MINUTES OF THE COMMITTEE
ON
TAX POLICY**

Wednesday, April 29, 2015 10:30 a.m. Room 521, House Office Building

The House Committee on Tax Policy was called to order by the Chairman, Representative Jeff Farrington.

Members present: Representatives Farrington, Maturen, Somerville, Yonker, Howrylak, Chatfield, Glenn, Iden, Webber, Townsend, Clemente, LaVoy, and Byrd.

Members absent/excused: None.

Representative Maturen moved to adopt the minutes from the Wednesday, April 22, meeting.

There being no objection, the motion prevailed by unanimous consent.

The Chair laid HB 4333 before the committee.

HB 4333 (Chatfield)	Economic development; Michigan economic growth authority; new agreements and certain amendments to tax credit agreements; prohibit.
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Jason Puscas, representing the Detroit Regional Chamber of Commerce, submitted a testimony card in opposition to HB 4333 and HB 4334, but did not wish to speak.

Representative Townsend offered the following amendment:

1. Amend page 15, line 20, after “CREDIT” by inserting “**OR EXTEND THE TIME FRAME OR TERM OF YEARS FOR THE AWARD OF THE CREDIT, DECREASE THE JOB CREATION OR JOB RETENTION REQUIREMENTS, REDUCE THE WAGE, BENEFIT OR CAPITAL INVESTMENT REQUIREMENTS, OR ADD ADDITIONAL FACILITIES WHOSE JOBS CAN COUNT TOWARD THE JOB CREATION OR JOB RETENTION REQUIREMENTS. IF THE AUTHORITY OR ITS SUCCESSOR INTENDS TO MODIFY OR AMEND AN EXISTING AGREEMENT WITH AN AUTHORIZED BUSINESS UNDER THIS SUBSECTION, THE AUTHORITY OR ITS SUCCESSOR SHALL NOTIFY BY ELECTRONIC MAIL THE GOVERNOR, THE AUDITOR GENERAL, THE HOUSE FISCAL AGENCY, THE SENATE FISCAL AGENCY, AND MEMBERS OF THE SUCCESSOR MODIFIES OR AMENDS THE WRITTEN AGREEMENT. THE NOTICE PROVIDED BY ELECTRONIC MAIL SHALL CONTAIN ALL OF THE FOLLOWING:**

(A) THE NAME OF THE AUTHORIZED BUSINESS.

(B) DESCRIPTION OF THE MODIFICATION OR AMENDMENT AND AN EXPLANATION OF WHY IT IS NEEDED.

(C) FISCAL IMPACT OF THE MODIFICATION OR AMENDMENT ON THIS STATE AND THE AUTHORIZED BUSINESS.”.

Representative Townsend moved to adopt the amendment to HB 4333.

The motion failed by a vote of 2-8-3.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Townsend, and LaVoy.

NAYS: Representatives Farrington, Maturen, Somerville, Yonker, Chatfield, Glenn, Iden, and Webber.

PASS: Representatives Howrylak, Clemente and Byrd.

Representative Townsend offered the following amendment:

1. Amend page 15, line 6, after "**BEGINNING**" by striking out "**JANUARY 1, 2015**" and inserting "**ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION**".

Representative Townsend moved to adopt the amendment to HB 4333.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Farrington, Maturen, Somerville, Yonker, Howrylak, Chatfield, Glenn, Iden, Webber, Townsend, Clemente, LaVoy, and Byrd.

NAYS: None.

PASS: None.

Representative Chatfield moved to report HB 4333, as substitute (H-1), with recommendation.

The motion prevailed by a vote of 12-0-1.

FAVORABLE ROLL CALL:

YEAS: Representatives Farrington, Maturen, Somerville, Yonker, Howrylak, Chatfield, Glenn, Iden, Webber, Townsend, LaVoy, and Byrd.

NAYS: None.

PASS: Representative Clemente.

The Chair laid HB 4334 before the committee.

HB 4334 (Glenn)

Michigan business tax; credits; limit modifications and amendments to existing agreements; provide for.

Representative LaVoy offered the following amendment:

1. Amend page 15, line 20, after “CREDIT” by inserting “OR EXTEND THE TIME FRAME OR TERM OF YEARS FOR THE AWARD OF THE CREDIT, DECREASE THE JOB CREATION OR JOB RETENTION REQUIREMENTS, REDUCE THE WAGE, BENEFIT OR CAPITAL INVESTMENT REQUIREMENTS, OR ADD ADDITIONAL FACILITIES WHOSE JOBS CAN COUNT TOWARD THE JOB CREATION OR JOB RETENTION REQUIREMENTS. IF THE AUTHORITY OR ITS SUCCESSOR INTENDS TO MODIFY OR AMEND AN EXISTING AGREEMENT WITH AN AUTHORIZED BUSINESS UNDER THIS SUBSECTION, THE AUTHORITY OR ITS SUCCESSOR SHALL NOTIFY BY ELECTRONIC MAIL THE GOVERNOR, THE AUDITOR GENERAL, THE HOUSE FISCAL AGENCY, THE SENATE FISCAL AGENCY, AND MEMBERS OF THE SUCCESSOR MODIFIES OR AMENDS THE WRITTEN AGREEMENT. THE NOTICE PROVIDED BY ELECTRONIC MAIL SHALL CONTAIN ALL OF THE FOLLOWING:

(A) THE NAME OF THE TAXPAYER.

(B) DESCRIPTION OF THE MODIFICATION OR AMENDMENT AND AN EXPLANATION OF WHY IT IS NEEDED.

(C) FISCAL IMPACT OF THE MODIFICATION OR AMENDMENT ON THIS STATE AND THE TAXPAYER.”.

Representative LaVoy moved to adopt the amendment to HB 4334.

The motion failed by a vote of 3-8-2.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Townsend, LaVoy, and Byrd.

NAYS: Representatives Farrington, Maturen, Somerville, Yonker, Chatfield, Glenn, Iden, and Webber.

PASS: Representatives Howrylak and Clemente.

Representative Farrington offered the following amendment to HB 4334:

1. Amend page 6, following line 20, by inserting:

"Enacting section 1. The Michigan business tax act, 2007 PA 36, MCL 208.1101 to 208.1601, is repealed effective for tax years that begin after December 31, 2031."

Representative Maturen moved to adopt the amendment to HB 4334.

The motion prevailed by a vote of 12-0-1.

FAVORABLE ROLL CALL:

YEAS: Representatives Farrington, Maturen, Somerville, Yonker, Howrylak, Chatfield, Glenn, Iden, Webber, Townsend, LaVoy, and Byrd.

NAYS: None.

PASS: Representative Clemente.

Representative Glenn moved to report HB 4334, as substitute (H-1), with recommendation.

The motion prevailed by a vote of 12-0-1.

FAVORABLE ROLL CALL:

YEAS: Representatives Farrington, Maturen, Somerville, Yonker, Howrylak, Chatfield, Glenn, Iden, Webber, Townsend, LaVoy, and Byrd.

NAYS: None.

PASS: Representative Clemente.

The Chair laid SB 100 before the committee.

SB 100 (Brandenburg) Taxation; administration; prepayment of tax, penalty, and interest requirement as a prerequisite to filing a case regarding the assessment of tax in the Michigan court of claims; eliminate.

Allie Bush, representing the Grand Rapids Area Chamber of Commerce, submitted a testimony card in support of SB 100, but did not wish to speak.

John Lindley, representing the Michigan Association of Certified Public Accountants, submitted a testimony card in support of SB 100, but did not wish to speak.

Representative Maturen moved to report SB 100, with recommendation.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Farrington, Maturen, Somerville, Yonker, Howrylak, Chatfield, Glenn, Iden, Webber, Townsend, Clemente, LaVoy, and Byrd.

NAYS: None.

PASS: None.

The Chair laid HB 4464 before the committee.

HB 4464 (Lyons) Sales tax; exemptions; over-the-counter medications sold pursuant to a prescription; exempt.

Howard Ryan, representing the Michigan Department of Treasury submitted a testimony card in

support of HB 4464 and HB 4465, but did not wish to speak.

Amanda Lick, representing the Michigan Pharmacists Association, submitted a testimony card in support of HB 4465 and HB 4465, but did not wish to speak.

Representative Maturen moved to adopt substitute (H-1) to HB 4464.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Farrington, Maturen, Somerville, Yonker, Howrylak, Chatfield, Glenn, Iden, Webber, Townsend, Clemente, LaVoy, and Byrd.

NAYS: None.

PASS: None.

Representative Maturen moved to report HB 4464, as substitute (H-1), with recommendation.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Farrington, Maturen, Somerville, Yonker, Howrylak, Chatfield, Glenn, Iden, Webber, Townsend, Clemente, LaVoy, and Byrd.

NAYS: None.

PASS: None.

The Chair laid HB 4465 before the committee.

HB 4465	(Lyons)	Use tax; exemptions; over-the-counter medications sold pursuant to a prescription; exempt.
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Representative Maturen moved to adopt substitute (H-1) to HB 4465.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Farrington, Maturen, Somerville, Yonker, Howrylak, Chatfield, Glenn, Iden, Webber, Townsend, Clemente, LaVoy, and Byrd.

NAYS: None.

PASS: None.

Representative Maturen moved to report HB 4465, as substitute (H-1), with recommendation.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Farrington, Maturen, Somerville, Yonker, Howrylak, Chatfield, Glenn, Iden, Webber, Townsend, Clemente, LaVoy, and Byrd.

NAYS: None.

PASS: None.

Representative Jeff Farrington, Chair

Kevin Gawronski
Committee Clerk
April 29, 2015
15 minutes

Date Approved and Signed